STATE OF MAINE PUBLIC UTILITIES COMMISSION Docket No. 2001-841

August 28, 2002

BANGOR HYDRO-ELECTRIC COMPANY, Request for Approval of Reorganization and Affiliated Interest Transaction with Emera Energy Services, Inc. ORDER APPROVING IMPLEMENTATION PLAN

WELCH, Chairman; NUGENT & DIAMOND, Commissioners

I. SUMMARY

This Order approves the attached Implementation Plan filed by Bangor Hydro-Electric Company (BHE or the Company) in connection with the creation of an electric marketing affiliate, Emera Energy Services, Inc. (EES).

II. ANALYSIS & DECISION

On April 17, 2002, pursuant to Chapter 304 (3)(O) of the Commission's Rules, BHE filed for approval of its Implementation Plan to provide for compliance with the Standards of Conduct set forth in Title 35-A M.R.S.A §§ 3205 & 3206 for the creation and organization of its affiliate, EES. Chapter 304 § (5)(A) provides that an Implementation Plan takes effect thirty (30) days after it is filed unless the Commission suspends the effectiveness of all or part of the plan. After a summary investigation, the Commission deemed it necessary to suspend the effective date of the plan and subsequently issued a Suspension Order on May 16, 2002.

Following its initial review, the Commission's Advisory Staff contacted the Company and noted that Exhibit A (referred to on page 6 of the plan) was not included with the filing. The Company subsequently filed Exhibit A on May 16, 2002. After Staff reviewed the Implementation Plan further, it contacted BHE on July 2, 2002 and noted several areas where the Implementation Plan may not have fully met the requirements of the Standards of Conduct set forth in Title 35-A M.R.S.A §§ 3205 & 3206 and suggested certain modifications. The Company later agreed to these modifications and filed the attached plan on August 9, 2002. We are satisfied that the August 9, 2002 version of the plan along with Exhibit A filed previously complies with the Standards of Conduct and therefore approve it.

Dated at Augusta, Maine, this 28th day of August, 2002.

BY ORDER OF THE COMMISSION

Dennis L. Keschl Administrative Director

COMMISSIONERS VOTING FOR: Welch

Nugent Diamond

NOTICE OF RIGHTS TO REVIEW OR APPEAL

5 M.R.S.A. § 9061 requires the Public Utilities Commission to give each party to an adjudicatory proceeding written notice of the party's rights to review or appeal of its decision made at the conclusion of the adjudicatory proceeding. The methods of review or appeal of PUC decisions at the conclusion of an adjudicatory proceeding are as follows:

- 1. <u>Reconsideration</u> of the Commission's Order may be requested under Section 1004 of the Commission's Rules of Practice and Procedure (65-407 C.M.R.110) within 20 days of the date of the Order by filing a petition with the Commission stating the grounds upon which reconsideration is sought.
- 2. <u>Appeal of a final decision</u> of the Commission may be taken to the Law Court by filing, within **21 days** of the date of the Order, a Notice of Appeal with the Administrative Director of the Commission, pursuant to 35-A M.R.S.A. § 1320(1)-(4) and the Maine Rules of Appellate Procedure.
- 3. Additional court review of constitutional issues or issues involving the justness or reasonableness of rates may be had by the filing of an appeal with the Law Court, pursuant to 35-A M.R.S.A. § 1320(5).

Note: The attachment of this Notice to a document does not indicate the Commission's view that the particular document may be subject to review or appeal. Similarly, the failure of the Commission to attach a copy of this Notice to a document does not indicate the Commission's view that the document is not subject to review or appeal.